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April 30, 2013

Via E-mail

Hon. Denise L. Cote,  
United States District Judge,  
Daniel Patrick Moynihan United States Courthouse,  
500 Pearl Street, Room 1610,  
New York, New York, 10007-1312.

Re: *Federal Housing Finance Agency v. Goldman, Sachs & Co., et al.*,  
No. 11-cv-6198 (DLC) (S.D.N.Y.)

Dear Judge Cote:

Pursuant to the February 27, 2013 Supplemental Expert Scheduling Order for Tranches 3 and 4 (the “Tranche 3 & 4 ESO”), defendants Goldman, Sachs & Co., GS Mortgage Securities Corp., Goldman Sachs Mortgage Company, The Goldman Sachs Group, Inc. and Goldman Sachs Real Estate Funding Corp. (collectively, “Goldman Sachs”) respectfully submit this report on the status of the “production and identification of, and stipulation to, Guidelines and Loan Files.”

### **I. Status of Loan File and Underwriting Guideline Production**

FHFA identified 4,000 loans in its sample for the *Federal Housing Finance Agency v. Goldman, Sachs & Co., et al.*, action. Of these 4,000 loans, at least a portion of a loan file has been produced for 3,192<sup>1</sup> loans, representing approximately 80% of the FHFA sample. At least some portion of a loan file has been produced for (a) every loan in 19 of the 40 securitizations; (b) more than 90 loans in an additional 8 securitizations; and (c) more than 75 loans in an additional 3 securitizations. Goldman Sachs expects to receive approximately 245 sample loan files from the FDIC for loans that were originated by IndyMac Bank, although the

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<sup>1</sup> This represents Goldman Sachs’ best information as of April 30, 2013 and reflects an increase of 85 loan files from Goldman Sachs’ status report of April 15, 2013.

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FDIC has not agreed to a specific production date. Goldman Sachs anticipates that the parties likely will be unable to collect a majority of the other outstanding loan files from originators because those originators either are defunct or have confirmed that they no longer possess the requested loan files.<sup>2</sup>

Goldman Sachs has pursued the collection of servicing files for all of FHFA's sample loans and believes that the substantial majority of the outstanding servicing files—to the extent they exist—are in the possession of Ocwen Loan Servicing, LLC. On April 29, 2013, Goldman Sachs received a production from Ocwen that, according to Ocwen, may contain a substantial number of servicing files for FHFA's sample loans. The parties are reviewing those files. Ocwen estimates it will make its final production of servicing files this week.

## **II. Guidelines and Loan File Stipulation Process**

As set forth in Goldman Sachs' Status Report of March 29, 2013, Goldman Sachs and FHFA agreed on a process, in accordance with Paragraphs 1 and 2 of the Tranche 3 & 4 Expert Scheduling Order and the Court's Order of March 19, 2013, to attempt to stipulate to (1) the documents comprising the "best representation of the Loan File and Guidelines existing at the time of the loan's origination that the parties have been able to recreate as of the time of such agreement," and (2) the underwriting guidelines applicable to those loan files. The parties have simultaneously exchanged proposed stipulations for 26 securitizations and thus far have agreed on the "best representation" for 2,437 loan files and agreed on the applicable underwriting guideline for 1,255 loans. The parties are scheduled to exchange today proposed stipulations for the remaining 14 securitizations

The parties have agreed to seek the Court's approval to extend two deadlines related to the stipulation process. First, the parties agreed to request an extension until May 15, 2013 to respond to the stipulations that the parties will exchange today. Second, as set forth in FHFA's April 26, 2013 letter to the Court regarding the status of loan file production, identification and stipulation, the parties have requested the Court's approval to extend until May 31, 2013 the deadline for the stipulation process for certain securitizations set forth in Exhibit 1 to that letter. Goldman Sachs understands that FHFA will request today that this deadline apply to all Securitizations; Goldman Sachs has indicated its agreement with this extension.

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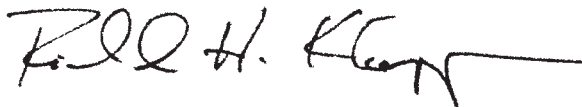
<sup>2</sup>

As discussed in Goldman Sachs' April 15, 2013 Status Report, on March 28, 2013 FHFA produced to Goldman Sachs 108 sample loan files. Goldman Sachs twice has asked FHFA to identify the entity that produced the loan files; the date on which they were produced; and the authority by which they were produced. Goldman Sachs also has asked FHFA to state whether it anticipates collecting additional sample loan files. FHFA has not responded to these questions.

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Respectfully submitted,

A handwritten signature in black ink, appearing to read "R. H. Klapper", with a long horizontal flourish extending to the right.

Richard H. Klapper

cc: All counsel of record